

AMENDED IN ASSEMBLY MAY 11, 2011
AMENDED IN ASSEMBLY MARCH 25, 2011
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 719

Introduced by Assembly Members Block and Lara
(Coauthor: Assembly Member Fletcher)
(Coauthors: Senators Padilla and Vargas)

February 17, 2011

An act to amend Section 56836.155 of the Education Code, relating to special education.

LEGISLATIVE COUNSEL'S DIGEST

AB 719, as amended, Block. Special education: funding.

Existing law, until July 1, 2011, requires the Superintendent of Public Instruction to make prescribed computations each fiscal year to determine an adjusted entitlement to be apportioned to each special education local plan area for each incidence of disability.

This bill would instead provide that these provisions would remain in effect indefinitely by deleting the repeal date. *This bill would require the Superintendent, on or before January 31, 2012, to update the incidence multiplier used to determine the adjusted entitlement of each special education local plan area using data collected in or after 2008.* The bill would ~~provide that require~~ the Superintendent ~~shall perform~~ the prescribed calculations to determine the adjusted entitlement of each special education local plan area for the incidence of disabilities to allocate funds increasingly based upon calculations made using the updated incidence multiplier for the 2011–12 to ~~2014–15~~ 2015–16 fiscal years, inclusive, as specified. ~~This bill would state the intent of the~~

~~Legislature to enact legislation that would update the severity service multiplier that will be used in the special disabilities adjustment formula and that this change use data collected in, or after, 2008 to identify high-need special education local plan areas eligible to receive an adjusted apportionment. This~~ *The* bill would state the intent of the Legislature to provide that ~~the calculation performed by the Superintendent, to determine an adjusted entitlement for each special education local plan area, increasingly be based upon a severity service concentration factor in the 2011–12 to 2015–16 fiscal years, inclusive, as specified~~ *this funding is contingent upon an appropriation made in the annual Budget Act or an appropriation contained in another measure.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Legislature finds and declares all of the
- 2 following:
- 3 (a)
- 4 (1) Since the establishment of the Poochigian and Davis Special
- 5 Education Reform Act (Ch. 854, Stats. 1997 (A.B. 602)), which
- 6 changed California’s special education funding structure from a
- 7 resource-based to a primarily census-based approach, the state has
- 8 always set aside sufficient funds to account for differing incidences
- 9 of pupils with severe and high-cost disabilities across special
- 10 education local plan areas.
- 11 (b)
- 12 (2) The Legislature continues to recognize the importance of
- 13 distributing special education funding with a formula that takes
- 14 into account the differing incidences of severe and high-cost
- 15 disabilities. For this reason, it has been, and remains, the intent of
- 16 the Legislature to provide ~~a severity service concentration factor~~
- 17 *an incidence multiplier* to each special education local plan area
- 18 in order to mitigate the extraordinary costs for schools with
- 19 particularly high concentrations of pupils with severe and high-cost
- 20 disabilities.
- 21 (c)
- 22 (3) The Legislature is committed to ensuring that the ~~severity~~
- 23 ~~service concentration factor~~ *incidence multiplier* is based on sound

1 data. To this end, it is the intent of the Legislature that the severity
2 service concentration factor for each special education local plan
3 area be updated using data from recent years.

4 ~~(d) The Legislature is committed to providing a steady transition~~
5 ~~between service concentration factors so that changes in severity~~
6 ~~status do not create devastating funding instabilities for impacted~~
7 ~~school districts. A severe reduction in state-funded services from~~
8 ~~just one year to the next has a negative effect on pupils. To this~~
9 ~~end, it is the intent of the Legislature that the transition to a new~~
10 ~~disbursement of severity service funds take place over a five-year~~
11 ~~period beginning in the 2011–12 fiscal year.~~

12 *(4) The Legislature is committed to providing a steady transition*
13 *when incidence multipliers are updated so that funding*
14 *redistribution is steady and does not create devastating funding*
15 *instabilities for impacted school districts during the time of*
16 *extraordinary fiscal stress.*

17 *(b) For these reasons, it is the intent of the Legislature to do*
18 *all of the following to correct the problem of outdated data, while*
19 *mitigating negative effects on pupils in special education local*
20 *plan areas that would otherwise suffer a severe reduction in*
21 *services from one year to the next:*

22 *(1) Direct the Superintendent of Public Instruction to update*
23 *incidence multipliers and the adjustment formula before January*
24 *31, 2012.*

25 *(2) Correct the distribution of the special disabilities adjustment*
26 *over a five-year period, commencing with the 2011–12 fiscal year.*

27 SEC. 2. Section 56836.155 of the Education Code is amended
28 to read:

29 56836.155. (a) On or before November 2, 1998, the
30 department, in conjunction with the Legislative Analyst’s Office,
31 shall do the following:

32 (1) Calculate an “incidence multiplier” for each special
33 education local plan area using the definition, methodology, and
34 data provided in the final report submitted by the American
35 Institutes for Research pursuant to Section 67 of Chapter 854 of
36 the Statutes of 1997.

37 (2) Submit the incidence multiplier for each special education
38 local plan area and supporting data to the Department of Finance.

39 (b) The Department of Finance shall review the incidence
40 multiplier for each special education local plan area and the

1 supporting data, and report any errors to the department and the
2 Legislative Analyst's Office for correction.

3 (c) The Department of Finance shall approve the final incidence
4 multiplier for each special education local plan area by November
5 23, 1998.

6 (d) For the 1998–99 fiscal year and each fiscal year thereafter
7 to and including the 2010–11 fiscal year, the Superintendent shall
8 perform the following calculation to determine the adjusted
9 entitlement of each special education local plan area for the
10 incidence of disabilities:

11 (1) The incidence multiplier for the special education local plan
12 area shall be multiplied by the statewide target amount per unit of
13 average daily attendance for special education local plan areas
14 determined pursuant to Section 56836.11 for the fiscal year in
15 which the computation is made.

16 (2) The amount determined pursuant to paragraph (1) shall be
17 added to the statewide target amount per unit of average daily
18 attendance for special education local plan ~~area~~ *areas* determined
19 pursuant to Section 56836.11 for the fiscal year in which the
20 computation is made.

21 (3) Subtract the amount of funding for the special education
22 local plan area determined pursuant to paragraph (1) of subdivision
23 (a) or paragraph (1) of subdivision (b) of Section 56836.08, as
24 appropriate for the fiscal year in which the computation is made,
25 or the statewide target amount per unit of average daily attendance
26 for special education local plan areas determined pursuant to
27 Section 56836.11 for the fiscal year in which the computation is
28 made, whichever is greater, from the amount determined pursuant
29 to paragraph (2). For the purposes of this paragraph for the
30 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, 2007–08,
31 2008–09, 2009–10, and 2010–11 fiscal years, the amount, if any,
32 received pursuant to Section 56836.159 shall be excluded from
33 the funding level per unit of average daily attendance for a special
34 education local plan area. If the result is less than zero, the special
35 education local plan area shall not receive an adjusted entitlement
36 for the incidence of disabilities.

37 (4) Multiply the amount determined in paragraph (3) by either
38 the average daily attendance reported for the special education
39 local plan area for the fiscal year in which the computation is made,
40 as adjusted pursuant to subdivision (a) of Section 56836.15, or the

1 average daily attendance reported for the special education local
2 plan area for the prior fiscal year, as adjusted pursuant to
3 subdivision (a) of Section 56836.15, whichever is less.

4 (5) If there are insufficient funds appropriated in the fiscal year
5 for which the computation is made for the purposes of this section,
6 the amount received by each special education local plan area shall
7 be prorated.

8 (e) For the 1997–98 fiscal year, the Superintendent shall perform
9 the calculation in paragraphs (1) to (3), inclusive, of paragraph (d)
10 only for the purposes of making the computation in paragraph (1)
11 of subdivision (d) of Section 56836.08, but the special education
12 local plan area shall not receive an adjusted entitlement for the
13 incidence of disabilities pursuant to this section for the 1997–98
14 fiscal year.

15 ~~(f) It is the intent of the Legislature to amend this section to~~
16 ~~provide that the calculation performed by the Superintendent to~~
17 ~~determine an adjusted entitlement for each special education local~~
18 ~~plan area, pursuant to this section, take into account data collected~~
19 ~~in, or after, 2008, to identify high-need special education local~~
20 ~~plan areas eligible to receive an adjusted apportionment based~~
21 ~~upon a severity service concentration factor in the 2011–12 to~~
22 ~~2015–16 fiscal years, inclusive. It is the intent of the Legislature~~
23 ~~that the transition between use of the current calculation pursuant~~
24 ~~to subdivisions (a) to (d), inclusive, and the updated calculation,~~
25 ~~using a severity service concentration factor, shall take place over~~
26 ~~a five-year period in order to mitigate the effect on pupils in special~~
27 ~~education local plan areas that suffer a severe reduction in services~~
28 ~~from one year to the next.~~

29 *(f) On or before January 31, 2012, the Superintendent shall*
30 *update the incidence multiplier calculated pursuant to subdivision*
31 *(a) using data collected in or after 2008.*

32 (g) For the 2011–12 fiscal year only, the Superintendent shall
33 ~~allocate 90~~ allocate funds pursuant to the following:

34 (1) *Ninety* percent of the funds appropriated for the purposes of
35 this section pursuant to subdivisions (a) to (d), ~~inclusive. It is the~~
36 ~~intent of the Legislature that the remaining 10~~ *inclusive, as it read*
37 *on January 1, 2011.*

38 (2) *Ten* percent of the funds appropriated for the purposes of
39 this section ~~be allocated pursuant to a calculation using a severity~~

1 ~~service concentration factor pursuant to subdivision (f).~~ *pursuant*
2 *to subdivisions (a) to (d), inclusive, and subdivision (f).*

3 (h) For the 2012–13 fiscal year only, the Superintendent shall
4 ~~allocate 75~~ *allocate funds pursuant to the following:*

5 (1) ~~Seventy-five~~ percent of the funds appropriated for the
6 purposes of this section pursuant to subdivisions (a) to (d),
7 ~~inclusive. It is the intent of the Legislature that the remaining 25~~
8 *inclusive, as it read on January 1, 2011.*

9 (2) ~~Twenty-five~~ percent of the funds appropriated for the
10 purposes of this section ~~be allocated pursuant to a calculation using~~
11 ~~a severity service concentration factor pursuant to subdivision (f).~~
12 *pursuant to subdivisions (a) to (d), inclusive, and subdivision (f).*

13 (i) For the 2013–14 fiscal year only, the Superintendent shall
14 ~~allocate 50~~ *allocate funds pursuant to the following:*

15 (1) ~~Fifty~~ percent of the funds appropriated for the purposes of
16 this section pursuant to subdivisions (a) to (d), ~~inclusive. It is the~~
17 ~~intent of the Legislature that the remaining 50~~ *inclusive, as it read*
18 *on January 1, 2011.*

19 (2) ~~Fifty~~ percent of the funds appropriated for the purposes of
20 this section ~~be allocated pursuant to a calculation using a severity~~
21 ~~service concentration factor pursuant to subdivision (f).~~ *pursuant*
22 *to subdivisions (a) to (d), inclusive, and subdivision (f).*

23 (j) For the 2014–15 fiscal year only, the Superintendent shall
24 ~~allocate 25~~ *allocate funds pursuant to the following:*

25 (1) ~~Twenty-five~~ percent of the funds appropriated for the
26 purposes of this section pursuant to subdivisions (a) to (d),
27 ~~inclusive. It is the intent of the Legislature that the remaining 75~~
28 *inclusive, as it read on January 1, 2011.*

29 (2) ~~Seventy-five~~ percent of the funds appropriated for the
30 purposes of this section ~~be allocated pursuant to a calculation using~~
31 ~~a severity service concentration factor pursuant to subdivision (f).~~
32 *pursuant to subdivisions (a) to (d), inclusive, and subdivision (f).*

33 (k) ~~It is the intent of the Legislature, that for~~ *For* the 2015–16
34 ~~fiscal year only and each fiscal year thereafter,~~ the Superintendent
35 shall allocate 100 percent of the funds appropriated for the purposes
36 of this section pursuant to ~~a calculation using a severity service~~
37 ~~concentration factor pursuant to subdivisions (a) to (d), inclusive,~~
38 *and subdivision (f).*

- 1 *(l)* Funding for the purposes of subdivisions (g) to (k), inclusive,
- 2 shall be contingent upon an appropriation made in the annual
- 3 Budget Act or an appropriation contained in another measure.

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